ICSG(I)/8
24 August 1992

Original: English

INTERNATIONAL COPPER STUDY GROUP
Inaugural Meeting
Geneva, 22 June 1992
Agenda item 8

TERMS OF REFERENCE OF THE

INTERNATIONAL COPPER STUDY GROUP

Establishment

1. The International Copper Study Group is hereby established to administer the provisions and supervise the operation of these terms of reference.

Objective

2. To ensure enhanced international co-operation on issues concerning copper, by improving the information available on the international copper economy and by providing a forum for intergovernmental consultations on copper.

Definitions

3. (a) "The Group" means the International Copper Study Group as constituted in these terms of reference.

(b) "Copper" means ores and concentrates of copper; unrefined and refined copper metal, including secondary copper; copper alloys; scrap, wastes and residues of copper; semi-manufactured products and such other products of copper as the Group may determine.

(c) "Members" means all States and intergovernmental organizations as provided for in paragraph 5 which have notified their acceptance pursuant to paragraph 22.

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Functions

4. In pursuance of its objective, the Group shall have the following functions:

(a) To conduct consultations and exchanges of information on the international copper economy;

(b) To improve statistics on copper;

(c) To undertake regular assessments of the market situation and outlook for the world copper industry;

(d) To undertake studies on issues of interest to the Group;

(e) To undertake activities related to efforts pursued by other organizations aimed at developing the market for copper and contributing to the demand for copper;

(f) To consider special problems or difficulties which exist or may arise in the international copper economy.

The Group shall carry out the above functions without derogating from the right of every member to manage all aspects of its domestic copper economy and without prejudice to the competence of other international organizations in matters falling within their jurisdiction.

Membership

5. Membership of the Group shall be open to all States which are interested in the production or consumption of, or international trade in, copper, and to any intergovernmental organization having responsibilities in respect of the negotiation, conclusion and application of international agreements, in particular commodity agreements.

Powers of the Group

6. (a) The Group shall exercise such powers and take action or arrange for action to be taken as may be necessary to carry out and ensure the application of the provisions of these terms of reference.

(b) The Group shall not have the power, directly or indirectly, to enter into any contract for the purposes of trade in copper or in any other commodity or product, or any contract for future transactions; nor shall it have the power to enter into any financial obligations for such purposes.

(c) The Group shall adopt such rules of procedure as are considered necessary to carry out its functions and which shall be subject to, and not inconsistent with, these terms of reference.

(d) The Group shall not have the power and shall not be taken to have been authorized by its members to incur any obligation outside the scope of these terms of reference or the rules of procedure.

Headquarters

7. The Headquarters of the Group shall be at a location selected by it in the territory of a member State, unless the Group decides otherwise. The Group shall negotiate a Headquarters Agreement with the host Government to be concluded as soon as possible after these terms of reference have entered into force.

Decision-making

8. (a) The highest authority of the Group established under these terms of reference shall be vested in the General Session.

(b) The Group, the Standing Committee referred to in paragraph 9, and such committees and subsidiary bodies as may be established, shall take decisions by consensus and without a vote, except in the case of decisions for which a specific voting majority is specified in these terms of reference or in the rules of procedure.

(c) Each member State shall be entitled to one vote.

Standing Committee

9. (a) The Group shall establish a Standing Committee, which shall consist of those members of the Group which have indicated their desire to participate in its work.

(b) The Standing Committee shall undertake such tasks as may be assigned to it by the Group and shall report to the Group on completion, or on the progress, of its work.

Committees and subsidiary bodies

10. The Group may establish committees or other subsidiary bodies, in addition to the Standing Committee, on such terms and conditions as it may determine.

Secretariat

11. (a) The Group shall have a Secretariat consisting of a Secretary-General and such staff as may be required.

(b) The Secretary-General shall be the chief administrative officer of the Group and shall be responsible to it for the administration and operation of these terms of reference in accordance with the decisions of the Group.

Co-operation with others

12. (a) The Group may make arrangements for consultations or co-operation with the United Nations, its organs or specialized agencies, and with other intergovernmental institutions, as appropriate.

(b) The Group may also make arrangements as it considers appropriate for maintaining contact with interested non-participating Governments, with other international non-governmental organizations, or with private sector institutions, as appropriate.

(c) Observers may be invited to attend meetings of the Group or its subsidiary bodies on such terms and conditions as the Group or those bodies may decide.

Relationship with the Common Fund

13. The Group may apply to be designated as an International Commodity Body (ICB) under article 7(9) of the Agreement establishing the Common Fund for Commodities, for the purpose of sponsoring, in accordance with the provisions of these terms of reference, projects on copper to be financed by the Fund through its Second Account. Decisions on the sponsoring of such projects shall normally be taken by consensus. If consensus cannot be reached, decisions shall be taken by a two-thirds majority vote. The Group shall not incur any financial obligations in respect of such project; nor shall it act as executing agency for any such project. No member shall be responsible by reason of its membership in the Group for any liability arising from borrowing or lending by any other member or entity in connection with projects.

Legal status

14. (a) The Group shall have international legal personality.

(b) The status of the Group in the territory of the host country shall be governed by a Headquarters Agreement between the host Government and the Group.

(c) In the territory of each member, and subject to its national legislation, the Group shall have the requisite legal capacity to perform its functions and in particular, subject to paragraph 6(b) above, the capacity to enter into contracts, to acquire and to dispose of movable property, and to institute legal proceedings.

Budget contributions

15. (a) Each member shall contribute to an annual budget which shall be approved by the Group in accordance with the provisions of the rules of procedure. For the purpose of assessing the contributions of members, 50 per cent of the budget shall be apportioned equally among them; 25 per cent shall be apportioned among member States in proportion to their shares in the total exports and imports of member States of copper ores and concentrates, measured in copper metal content, and unrefined and refined copper; and the remaining 25 per cent shall be apportioned among member States in proportion to their shares in a total which shall consist of the mine production or refined consumption of copper of each member State, whichever is the higher. The calculation of these shares shall be based on the latest three calendar years for which statistics are available.

(b) The Group shall determine the contribution of each member for each financial year in a currency to be decided by the Group and in accordance with the provisions for contributions specified in the rules of procedure. The payment of the contribution by each member shall be made in accordance with its constitutional procedures.

(c) In addition to the budget contributions, the Group may accept donations from external sources.

Statistics and information

16. (a) The Group shall collect, collate and make available to members such statistical information on production, trade, stocks and consumption of copper, including consumption by specific markets and end-use industries, as it deems appropriate for the effective operation of these terms of reference, as well as the information referred to in subparagraph b below.

(b) The Group shall make such arrangements as it considers appropriate by which information may be exchanged with interested non-participating Governments and with appropriate non-governmental and intergovernmental organizations in order to avoid duplication of work and to ensure the availability of recent, reliable and complete information on production, consumption, stocks, international trade, internationally recognized published prices of copper, technology, research and development activities relating to copper and other factors that influence the demand for and supply of copper.

(c) The Group shall endeavour to ensure that information made available by it does not prejudice the confidentiality of the operations of Governments or persons or enterprises producing, processing, marketing or consuming copper.

Annual assessment and reports

17. (a) The Group shall undertake an annual assessment of the world copper situation and related matters in the light of information supplied by members and supplemented by information from all other relevant sources. The annual assessment shall include a review of anticipated copper production capacity for future years and an outlook for copper production, consumption and trade for the following calendar year, for the purpose of assisting members in their individual assessments of the evolution of the international copper economy.

(b) The Group shall prepare a report incorporating the results of the annual assessment and distribute it to members. If the Group deems it appropriate, this report, as well as other reports and studies distributed to members, may be made available to other interested parties in accordance with the rules of procedure.

Market development

18. (a) The Group shall hold discussions among members and between members and third parties, such as copper research and market development organizations, on ways and means of increasing the demand and developing the market for copper. Within this framework the studies done by the Group in support of market development will be disseminated to copper development organizations for their use in preparing market development project proposals to be submitted to the Group for consideration. Execution of these projects will be undertaken by market development organizations. The Group may select and sponsor projects to be financed by the Common Fund through its Second Account.

(b) The Group shall offer to facilitate co-ordination between market development organizations and support the extension of market development activities.

Studies

19. (a) The Group shall undertake or make appropriate arrangements to undertake ad hoc studies related to the international copper economy as may be agreed by the Group.

(b) The studies may contain general recommendations or suggestions to the Group but such recommendations or suggestions shall not derogate from the right of every member to manage all aspects of its domestic copper economy and shall be without prejudice to the competence of other international organizations in matters falling within their jurisdiction.

Obligations of members

20. Members shall use their best endeavours to co-operate and to promote the attainment of the objective of the Group, in particular by providing the data referred to in paragraph 16 (a).

Amendment

21. These terms of reference may be amended only by consensus of the Group.

Entry into force

22. (a) These terms of reference shall enter into force definitively when States together accounting for at least 80 per cent of trade in copper, as set out in the annex to these terms of reference, have notified the Secretary-General of the United Nations (hereinafter referred to as "the depositary") pursuant to subparagraph (c) below of their definitive acceptance of these terms of reference.

(b) These terms of reference shall enter into force provisionally when States together accounting for at least 60 per cent of trade in copper, as set out in the annex to these terms of reference, have notified the depositary pursuant to subparagraph c below of their provisional or definitive acceptance of these terms of reference.

(c) Any State or any intergovernmental organization referred to in paragraph 5 which desires to become a member of the Group shall notify the depositary that it accepts these terms of reference either provisionally, pending the conclusion of its internal procedures, or definitively. Any State or intergovernmental organization which has notified its provisional acceptance of these terms of reference shall endeavour to complete its procedures within 36 months of the date of entry into force of these terms of reference or the date of its notification of provisional acceptance, whichever is the later, and shall notify

the depositary accordingly. Where a State or intergovernmental organization is not able to complete its procedures within the time-limit referred to above, the Group may grant an extension of time to the State or intergovernmental organization concerned.

(d) If the requirements for entry into force of these terms of reference have not been met on 30 June 1990, the depositary shall invite those States and intergovernmental organizations that have notified their provisional or definitive acceptance of these terms of reference to decide whether or not to put these terms of reference into force provisionally or definitively among themselves.

(e) When these terms of reference enter into force, the depositary shall convene an inaugural meeting of the Group as soon as possible thereafter. Members shall be notified at least one month, where possible, prior to that meeting.

Withdrawal

23. (a) A member may withdraw from the Group at any time by giving written notice of withdrawal to the depositary and to the Secretary-General of the Group.

(b) Withdrawal shall be without prejudice to any financial obligations already incurred by the withdrawing member and shall not entitle it to any rebate of its contribution for the year in which the withdrawal occurs.

(c) Withdrawal shall become effective 60 days after the notice is received by the depositary.

(d) The Secretary-General of the Group shall promptly notify each member of any notification received under this paragraph.

Termination

24. (a) The Group may at any time decide by a two-thirds majority vote of member States to terminate these terms of reference. Such termination shall take effect on such date as the Group shall decide.

(b) Notwithstanding the termination of these terms of reference, the Group shall continue in being for as long as it is necessary to carry out its liquidation, including the settlement of accounts.

Reservations

25. No reservations may be made to any of the provisions of these terms of reference.

Annex

TRADE IN COPPER a/

Country	Exports	Imports	Total trade	Share
	- - - - (thousand tonnes) - - - -			(per cent)
Australia	150.7	.	150.7	1.41
Austria	24.2	13.3	37.5	0.35
Belgium-Luxembourg	222.6	430.9	653.5	6.12
Bolivia	1.0	.	1.0	0.01
Brazil	2.3	153.8	156.1	1.46
Bulgaria	1.0	2.0	3.0	0.03
Canada	635.1	78.7	713.8	6.69
Chile	1 308.0	.	1 308.0	12.26
China	7.0	358.9	365.9	3.43
Cuba	2.7	6.5	9.2	0.09
Denmark	2.5	1.8	4.3	0.04
Finland	21.9	54.5	76.4	0.72
France	15.1	358.7	373.8	3.50
German Democratic Republic	13.5	62.5	76.0	0.71
Germany, Federal Republic of	70.7	713.0	783.7	7.34
Greece	.	23.7	23.7	0.22
Hungary	.	34.0	34.0	0.32
India	.	64.6	64.6	0.61
Indonesia	90.4	17.4	107.8	1.01
Iran (Islamic Republic of)	41.7	.	41.7	0.39
Ireland	0.9	0.2	1.1	0.01
Italy	13.1	355.7	368.8	3.46
Japan	55.4	1 217.1	1 272.5	11.92
Madagascar	.	.	.	.
Mexico	122.0	5.0	127.0	1.19
Netherlands	7.6	23.1	30.7	0.29
Norway	53.5	12.0	65.5	0.61
Panama	.	.	.	.
Papua New Guinea	171.5	.	171.5	1.61
Peru	343.4	.	343.4	3.22
Philippines	217.1	.	217.1	2.03
Poland	177.1	18.4	195.5	1.83
Portugal	3.1	16.7	19.8	0.19
Republic of Korea	4.2	177.9	182.1	1.71
Spain	86.4	97.0	183.4	1.72
Sweden	81.6	81.9	163.5	1.53
Thailand	.	17.6	17.6	0.16
Turkey	.	46.3	46.3	0.43
Union of Soviet Socialist Republics	103.3	23.6	126.9	1.19

Country	Exports	Imports	Total trade	Share
		(thousand tonnes)		(per cent)
United Kingdom of Great Britain and Northern Ireland	32.1	324.5	356.6	3.34
United States of America	187.9	529.1	717.0	6.72
Yugoslavia	16.5	34.5	51.0	0.48
Zaire	508.4	.	508.4	4.76
Zambia	500.5	20.0	520.5	4.88
TOTAL	5 296.0	5 374.9	10 670.9	100.00

a/ Annual average for the period 1984-1986 of imports and exports of ores and concentrates, measured in copper metal content, and unrefined and refined copper for countries which participated in the United Nations Conference on Copper, 1988.